

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111
415/398-4510 FAX 415/398-4816

VIA AIR COURIER

July 31, 1996

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
Department of Transportation
12th and Constitution Avenue, N.W.
Washington, DC 20423

RECORDATION NO. 20221 FILED 1425

AUG 1 9 1996 - 1 35 PM

INTERSTATE COMMERCE COMMISSION

AUG 19 1 27 PM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Lease of Railroad Equipment dated as of February 15, 1996 between the following parties:

Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Lessee: Indiana Harbor Belt Railroad
2721 - 161st Street
Hammond, IN 46323-1099

The equipment involved in this transaction is as follows:

Equipment: Ninety-four (94), 100-ton, gondola railcars (See Schedule A attached for reporting mark & numbers.)

Please file this agreement as a primary document. The filing fee of \$21.00 is enclosed.

Sincerely,


Chris Dilley
Administrative Assistant

/cpd

Enclosure

ihb009.00

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

8/19/96

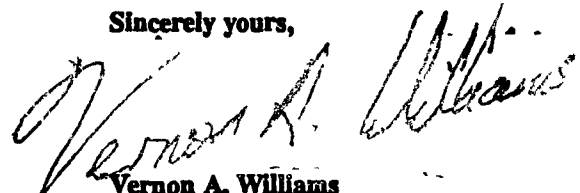
Chris Dilley
Helm Financial Corporation
One Embarcadero Center
San Francisco, CA., 94111

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/19/96 at 1:35PM, and assigned recordation number(s). 1:55PM
20221, 20222, 20223, 20224, 20225, 20226, 16229-B,
19559-A and 19721-A.

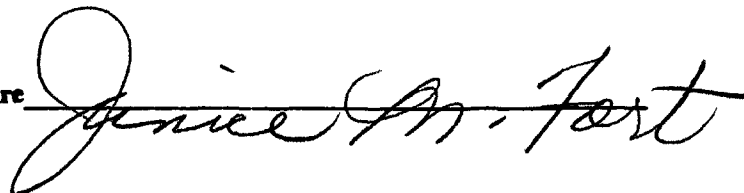
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$231.00 - The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



**MEMORANDUM OF
NET LEASE AGREEMENT**

RECORDATION NO. 20221 FILED 1425
AUG 19 1996 - 1 25 PM
INTERSTATE COMMERCE COMMISSION

THIS MEMORANDUM OF NET LEASE AGREEMENT (the "Memorandum") is made as of February 15, 1996 and is intended to evidence that certain Net Lease Agreement dated as of February 15, 1996 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and INDIANA HARBOR BELT RAILROAD COMPANY, an Indiana corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11303. Lessor has the right to lease the railcars, more fully described in Schedule A hereto (the "Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

HELM FINANCIAL CORPORATION

By: 

Print Name: Richard C. Kirchner

Its: President

LESSEE

INDIANA HARBOR BELT RAILROAD COMPANY

By: 

Print Name: CH. ALLEN

GENERAL MANAGER

Its: _____

SCHEDULE A
TO THE MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Ninety-four(94), 52'6", 100-ton, roller bearing, gondola railcars with 4'6" high sides; built by Ortner in 1979.

Unit Numbers:

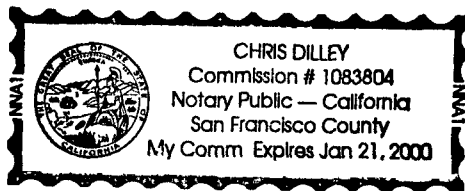
IHB 12400-12426, 12428-12435, 12437-12453, 12455-12457, 12459-12465,
12467-12487, 12499

STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On July 11, 1996, before me, Chris Dilley personally
appeared Richard C. Kirchner, President of HELM FINANCIAL CORPORATION,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.



Witness my hand and official seal.

Chris Dilley
SIGNATURE OF THE NOTARY

[Notarial Seal]

STATE OF Indiana)
) S.S.
COUNTY OF Rock)

On July 2, 1996, before me, Diane R. Pender personally
appeared CHALLENGER, General Manager of INDIANA HARBOR BELT RAILROAD
COMPANY,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

Witness my hand and official seal.

Diane R. Pender
SIGNATURE OF THE NOTARY

[Notarial Seal]

